



Press Release

**FSDC releases report**  
**“Asset and Wealth Management in Hong Kong –**  
**Tax Recommendations towards Further Development”**

**Hong Kong, 25 May 2022** – The Financial Services Development Council (FSDC) today released a research report titled “Asset and Wealth Management in Hong Kong – Tax Recommendations towards Further Development”. The report is prepared with an objective to bolster the asset and wealth management (AWM) industry and ecosystem in Hong Kong.

In view of the recent development in the international tax environment and ever-changing market dynamics, this report identifies relevant areas where tax can play a pivotal role to bring Hong Kong’s AWM industry to greater heights. Recommendations are set out with the aim of addressing key issues hindering the further development of the industry.

“Hong Kong has long been regarded as a leading asset and wealth management centre in Asia and worldwide. The prosperity and growth of the AWM industry is attributed to its convenient geographic location, sound financial system, and its vibrant and diverse market ecosystem. Our low and simple, business-friendly tax regime is also one of the factors contributing to Hong Kong’s success as an international financial centre.” said Laurence Li SC, Chairman of the FSDC. “Nevertheless, to stay ahead of the race in the constantly evolving international tax landscape and asset management business, Hong Kong should continue to assess and enhance the competitiveness of its tax regime for the AWM industry.”

The report proposes tax recommendations with a focus on areas that are instrumental to retain and advance Hong Kong’s leading position as a premier global asset and wealth management hub. These recommendations are designed to help (i) promote asset classes that are currently underdeveloped in Hong Kong by providing incentives, clarity and operational efficiency; (ii) attract institutional investors by providing a level playing field in terms of tax in each type of asset owners; and (iii) address other deficiencies in the unified



profit tax exemption for funds (UTE) and the open-ended fund company (OFC) regime.

The full version of the report can be downloaded from the FSDC website: [www.fsd.org.hk](http://www.fsd.org.hk).

### **About the FSDC**

The FSDC was established in 2013 by the Hong Kong Special Administrative Region Government as a high-level, cross-sectoral advisory body to engage the industry in formulating proposals to promote the further development of the financial services industry of Hong Kong and to map out the strategic direction for the development.

The FSDC has been incorporated as a company limited by guarantee with effect from September 2018 to allow it to better discharge its functions through research, market promotion and human capital development with more flexibility.

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